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## REPORT

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## Reorganization of Shipping Lines and Ports in the Baltic Basin

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- (e) The Ventspils Seaport
- (f) The Kaipeda (Memel) Seaport - Chief: Merchant Fleet Captain 2nd Class Fru Fomin.

Fomin

- (g) The Liepaja Seaport
- (h) The Vyborg Seaport - Chief: Merchant Fleet Captain 3rd Class Fru Koval'skiy. This port belongs to the port of Leningrad.
- (i) The Vysotsk Port point (portpunkt), belonging to the port of Leningrad.

3. Finally, the following industrial enterprises are subordinate to the Baltic State Merchant Shipping Line:

- (a) The Gunboat Repair Plant - Director: Merchant Fleet Captain Engineer 3rd Class Fru Prakhovskiy.
- (b) Ship repair workshops of the Baltic Shipping Line
- (c) The Loksa ship repair plant
- (d) The Tallin ship repair workshops
- (e) The Riga ship repair workshops
- (f) The Klaipeda ship repair workshops
- (g) The Ventspils ship repair
- (h) The Kaliningrad ship repair workshops.

4. The following organizations of the Merchant Fleet are not subordinate to the Baltic Shipping Line:

- (a) The Riga Shipbuilding-Shiprepair Plant, which is subordinate to the Chief Directorate for Maritime and River Industrial Enterprises - Glavmorrechprom.
- (b) The Directorate for the Baltic Technical Fleet - Baltekhflot - (located in Leningrad), which is subordinate to the Chief Directorate for Waterways and Hydrotechnical Equipment of the Ministry - Glavvod.
- (c) The Tallin Technical Sector, subordinate to the Baltekhflot
- (d) The Riga Technical Sektor, subordinate to the Baltekhflot.
- (e) The Baltic Inspectorate of the Sea Registry (located in Leningrad), which is subordinate to the central directorate of the Registry in the Ministry.
- (f) The Tallin Line Inspectorate of the Sea Registry, which is subordinate to the Baltic Inspectorate of the Sea Registry.
- (g) The Riga Line Inspectorate of the Sea Registry, which is subordinate to the Baltic Inspectorate of the Sea Registry.
- (h) The Central Design-Construction Bureau No 2 (located in Leningrad), which is subordinate to the Central Technical Directorate of the Ministry.
- (i) The Central Scientific Research Institute of the Merchant Fleet TsNIMF.
- (j) The Leningrad Higher Navigation Academy which is subordinate to the Chief Directorate for Educational Institutions in the Ministry.
- (k) The Leningrad Higher Arctic Maritime Academy which is subordinate to the Chief Directorate for Educational Institutions in the Ministry.
- (l) The Academy of the Merchant Fleet, located in Leningrad.
- (m) The Leningrad Navigation Academy subordinated to the Chief Directorate for Educational Institutions of the Ministry.
- (n) The Leningrad Navigation School, subordinated to the Chief Directorate for Educational Institutions of the Merchant Fleet.
- (o) Training and Study Combines of the Baltic Shipping Line.
- (p) The Riga Navigation Academy, subordinate to the Chief Directorate for Educational Institutions of the Ministry.
- (r) The Tallin Navigation Academy, subordinate to the Chief Directorate for Educational Institutions of the Ministry.
- (s) The Pskov Navigation Academy, subordinate to the Chief Directorate for Educational Institutions of the Ministry.
- (t) The Training and Study Combine of the Tallin Bayon Directorate of the Baltic Shipping Line.
- (u) The Training and Study Combine of the Riga Bayon Directorate of the Baltic Shipping Line.
- (v) Editorial Staff of the "Sovetskaya Baltika" newspaper, subordinate to the political section of the Baltic Shipping Line.

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The Organization of River Transport in Leningrad includes the following:

- (a) The Directorate of the Northwest River Shipping Line (located at No 5 Gertsen ~~Herson~~ ulitsa in Leningrad), headed by River Fleet Director General 3rd Class ~~fnu~~ ~~Malik~~.
  - (b) The Leningrad river port with docks, subordinated to the port.
  - (c) The Ship repair plant "Leningradskiy Vodnik", subordinate to the Northwest River Shipping Line.
  - (d) Editorial Staff of the newspaper "Severo-Zapadnyi Vodnik", subordinate to the political section of the Northwest River Shipping Line.
  - (e) The Leningrad Ship Construction Dock Yard, subordinate to the Chief Directorate for Dockyards, Reinforced Concrete, Wooden Ship Construction and Timber Procurement Glavsudovostroyesprom of the Ministry.
  - (f) The Northwest Basin Directorate of Ways, subordinate to the Chief Directorate of Waterways and Hydrotechnical Plants.
  - (g) The Central Scientific Research Institute of the River Fleet.
  - (h) The Leningrad Division of State Water Transport Design - Giprotechtrans.
  - (i) The Leningrad Institute of Water Transport Engineers, located at Dinaburskaya Ulitsa No 5/7, subordinate to the Chief Directorate for Educational Institutions of the Ministry.
  - (j) The Leningrad River Academy (located at Sennaya Ploshchad'), subordinate to the Chief Directorate for Educational Institutions of the Ministry.
  - (k) The Training and Study Combine of the Northwest River Shipping Line.
  - (l) The Leningrad Inspectorate of the River Registry, subordinate to the Central Directorate of the Registry.
  - (m) The Leningrad Navigability Inspectorate, subordinate to the Chief Inspectorate for Maritime Navigation, River Navigation and Port Supervision.
  - (n) Communications Terminal of the Northwest River Shipping Line.
6. The following are organizations of the Ministry of the Merchant and River Fleet which service both marine and river organizations in Leningrad.
- (a) The Leningrad Branch of the Central Division of Supply of Ships and Equipment.
  - (b) The Leningrad Office of Material and Technical Provisions, subordinate to the Chief Directorate of Material and Technical Provisions - Glavmasb

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7. [redacted] in the former Ministry of the Merchant Fleet the question was raised of the expediency of having the two independent Estonian and Latvian shipping lines. The operations of these two lines were unsatisfactory and there was no sense in keeping two such minor organizations as independent shipping lines. The former chief of the Chief Directorate of the Northwest Fleet and Ports of the Ministry ~~fnu~~ Misernitskiy, at a meeting of the Ministry Collegium, expressed his opinion that these lines should be liquidated and agencies of the Baltic Shipping Line created in their place.

8. Former Minister of the Merchant Fleet Novikov found the suggestion sound and proposed organizing a commission to work out appropriate proposals to the Government. [redacted]

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9. The two following motives formed the basis of the request for liquidating the Estonian and Latvian Shipping lines:

- (a) The maintenance of these two shipping lines, which have a small number of transport vessels (at that time about 20-22 ships combined) and carry an insignificant volume of cargo (a combined total of 1.6-2.0 million tons at that time) is unprofitable and cumbersome from the point of view of management of the lines and planning and records of their activity.
- (b) It was unprofitable to maintain in these lines a rather unwieldy administrative-managerial staff (85-90 people in each line).
- (c) Liquidating these two lines and forming in their place the Baltic Shipping Line agencies would permit a curtailment of the administrative-managerial staffs, and improve their management by placing them under the neighboring Baltic Shipping Line. This would permit a more flexible management of shipments between ports of the Baltic Basin under the sole direction of the Baltic Shipping Line.

10. At that time [redacted] the USSR Council of Ministers officials declined the request of the Ministry of the Merchant Fleet as a measure not dictated by necessity at that moment. Unofficially the Minister was informed that the proposal was correct and

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timely, but from the political point of view it should be avoided at that time since maintenance of the Estonian and Latvian lines was necessary for propaganda purposes. A change in the political point of view of the Government or the advent of a convenient situation would permit the realization of this project.

11. Thus, [ ] the Estonian and Latvian Shipping lines were nevertheless liquidated and turned into rayon directorates subordinate to the Baltic Shipping Lines. In this connection the following factors should be noted:

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- (a) As a result of combining the Ministries of the Merchant Fleet, River Fleet, and the Chief Directorate of the Northern Sea Route into the one Ministry of the Merchant and River Fleet, there took place a major reorganization, particularly of maritime shipping lines and ports, according to the principles then existing in the River transport system. Unquestionably, the fact that the Minister of the Merchant and River Fleet Shashkov is himself a river man and had much to do with this reorganization. The reorganization consisted mainly in merging of shipping lines in various basins so that where there were formerly 16 maritime and four arctic shipping lines, there are now 11 maritime and arctic shipping lines combined.
- (b) The second feature of the reorganization is the fact that all maritime ports which were formerly subordinate to chief directorates of the Ministry are now subordinate to the various shipping companies, on the pattern existing in the river fleet.

12. It would not be possible to concede that merging of shipping lines has in all cases been expeditious, since operational conditions have thus been complicated although it must be admitted that subordinating the ports to the shipping lines was an expeditious step from the point of view of improving operations in the ports.

13. Thus, on the basis of such a general reorganization of shipping lines and ports, the reorganization of Baltic lines and ports was also effected. It can be said that the general situation favored this reorganization.

14. The chief of the Baltic Shipping Line, Loginov, played no small part in the reorganization of the Baltic shipping lines and ports. He was assigned to this post [ ]. He is a member of the bureau of the Leningrad Oblast Party Committee. Loginov is a strong and capable person as regards organization and supervision. In his work he always strove to expand his sphere of influence and to subordinate to himself as many organizations and enterprises as possible. He remained true to this principle when he was transferred to his post in Leningrad.

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15. [ ] it is correct to regard the reason for reorganizing the Baltic ports and shipping lines as a business-like step to improve their operations. [ ] measure as dictated by nationality considerations for the following reasons:

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- (a) Managerial personnel and officers and sailors in the Estonian and Latvian shipping lines were always selected from among people who were screened and considered reliable from the point of view of the Government.
- (b) The former ministry of the Merchant Fleet and the present Ministry of the Merchant and River Fleet are all-union organizations, and their peripheral organizations, including those in the union republics, are subordinate to the Ministry. For this reason local authorities are not able to exert much influence on the operations of organizations of this all-union ministry. Specifically, the governments of Estonia and Latvia could exert no influence on the Estonian and Latvian shipping lines, ports or other organizations of maritime and river transport. The Ministry of the Merchant and River Fleet cannot coordinate its actions vis-a-vis subordinate organizations located in union or autonomous republics with the governments of those republics.

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